Alberta Economy

Indicators at a Glance

Economic Activity

In 2016, Alberta's real GDP by industry fell by 3.8%, the largest drop among the provinces for the second year in a row. The Alberta Activity Index was up 1.9% in March, building on steady improvements since bottoming out in May of last year.

NEW: Population

Alberta's population was 4,291,980 as of March 1, 2017, an increase of 1.4% from the year prior. Canada's population grew 1.2% from a year ago.

NEW: Migration

Net migration to Alberta was 4,693 in the first quarter of 2017. During this time, Alberta welcomed 7,085 net international migrants. However, there was a net outflow of interprovincial migrants (-2,392), the sixth consecutive quarterly decline.

Employment[1]

Alberta added 2,100 jobs in May. The gains were in full-time positions (+18,900) while in part-time positions (-16,700) were down. Employment increased 1.8% year-over-year (y/y).

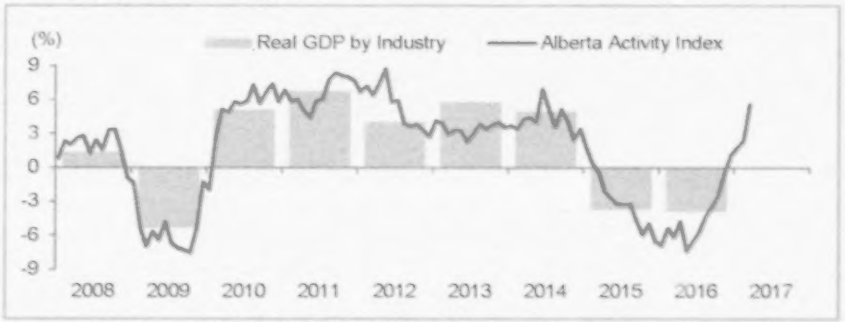
Unemployment Rate[1]

Alberta's unemployment rate ticked down 0.1 percentage points to 7.8% in May. Canada's unemployment rate edged up to 6.6%.

Rigs Drilling

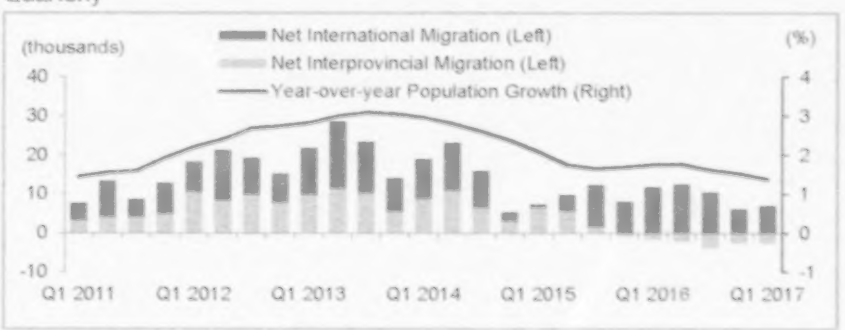
The number of active rigs in Alberta averaged 61 in May, about 70% below the height of the winter drilling season in January but up 144% from the same month last year.

Economic Activity
Year-over-year % change



Sources: Statistics Canada and Alberta Treasury Board and Finance

Demographics
Quarterly



Source: Statistics Canada

Labour Market
Monthly

Source: Statistics Canada

Alberta Government

June 16, 2017
Treasury Board and Finance
Economics and Revenue Forecasting

Inflation

The Alberta Consumer Price Index (CPI) rose 1.7% y/y in April. Gasoline prices were up 20% y/y while food prices (-1.3% y/y) and rent (-1.6% y/y) fell.

Average Weekly Earnings[1]

Average weekly earnings (AWE) in Alberta increased 0.8% in March to $1,118. Gains in service sector earnings (+1.1% m/m) outweighed a modest decline in the goods sector earnings (-0.4% m/m).

Retail Sales[1]

Following seven uninterrupted monthly gains, Alberta retail sales decreased by 0.5% m/m to $6.6 billion in March. Retail sales grew 7.2% y/y, the fourth consecutive month of gains.

Housing Starts[1]

Alberta housing starts were up 4.0% m/m in May to 32,707 units (annualized). Housing starts increased 48% y/y. Single-family starts rose 47% y/y and multi-family starts were up 57% y/y.

New Housing Price Index

Alberta's New Housing Price Index (NHPI) edged down 0.1% in April and was down 0.5% y/y. The house-only component was down 1.2% y/y, while land prices were up 0.8% y/y.

Building Permits[1]

Alberta building permits decreased 11% m/m in April to $1.0 billion. Building permits were down 22% y/y. Non-residential permits dropped 43% and residential permits declined 3.7% y/y.

[1] Seasonally adjusted

Contact

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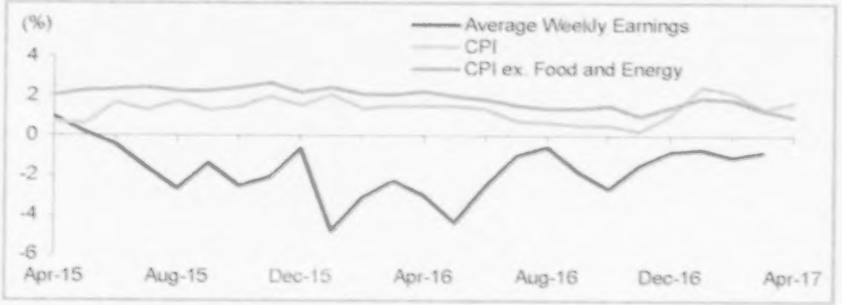
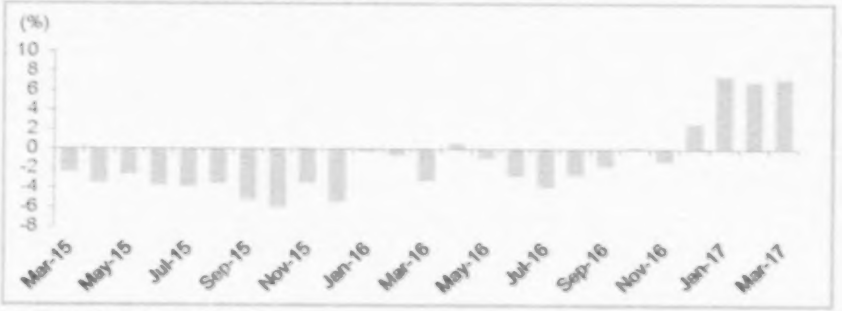
Inflation and Earnings
Monthly, year-over-year % change



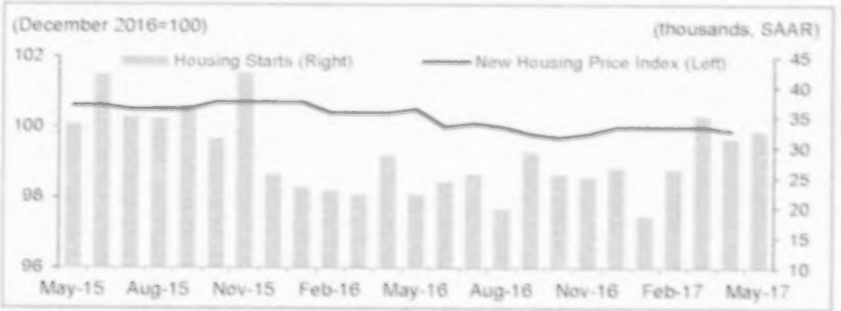
Source: Statistics Canada

Retail Sales
Monthly, year-over-year % change



Source: Statistics Canada

Housing Market
Monthly

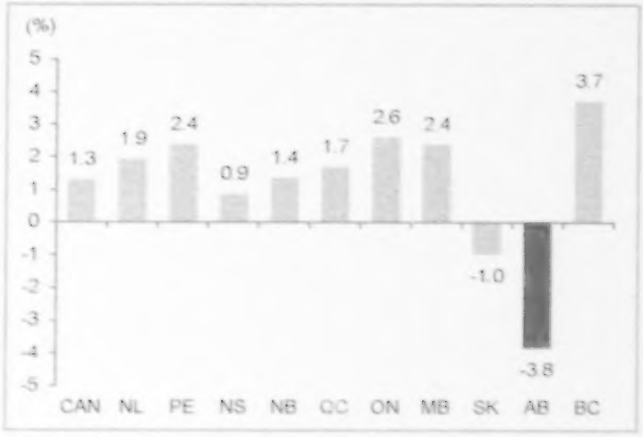


Source: Statistics Canada, Canada Mortgage and Housing Corporation

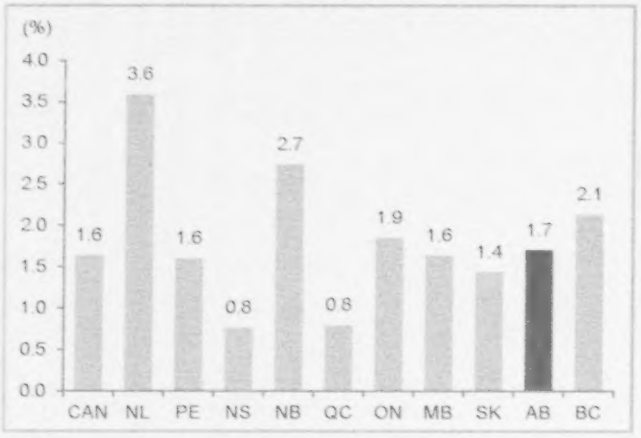
	Canadian Dollar (USc/SCAN)	WTI Oil ($US/bbl)	NYMEX Natural Gas ($US/MMBtu)	Alberta Reference Price ($C/GJ)
Latest (June 15, 2017)	75.28	44.46	3.06	2.24 (April)
Fiscal year-to-date	74.14	49.03	3.17	2.34

Please see the *Weekly Economic Review* for current analysis on the Alberta economy.

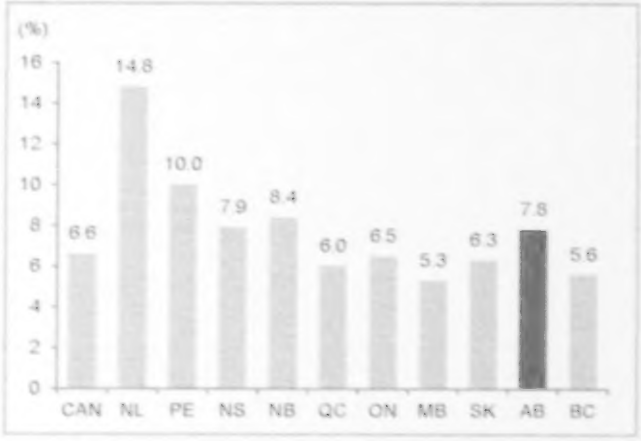
Real GDP by Industry
(2016, year-over-year growth)



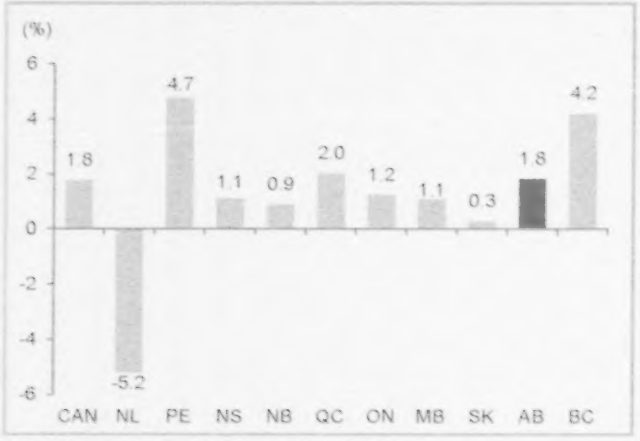
CPI Inflation
(April 2017, year-over-year growth)



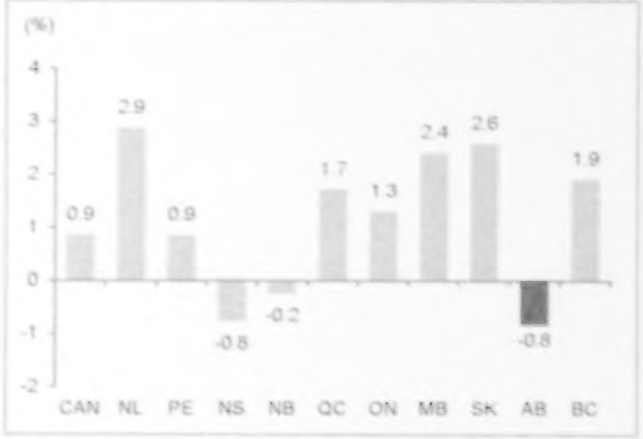
Unemployment Rate
(May 2017)



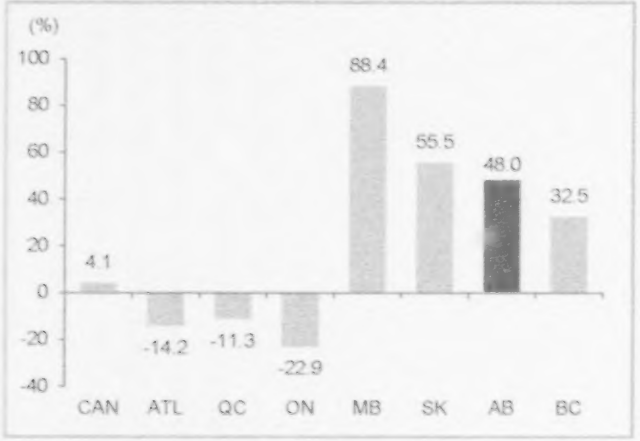
Employment
(May 2017, year-over-year growth)



Average Weekly Earnings
(March 2017, year-over-year growth)



Housing Starts
(May 2017, SAAR, year-over-year growth)



Alberta Economic Indicators

	2015	2016	2017YTD	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17
Alberta Activity Index (y/y % change)	3.0	-4.4	3.2	1.0	1.7	2.3	5.6		
Population[1]									
NEW Population (thousands)	4,180	4,253	4,292		4,280			4,292	
y/y % change	1.7	1.8	1.4		1.5			1.4	
NEW Net Interprovincial Migration	21,594	2,877	8,815		2,573			7,392	
NEW Net International Migration	16,743	43,041	23,657		6,128			7,085	
Labour Market									
Employment (thousands, SA)	2,301	2,264	2,281	2,267	2,268	2,269	2,269	2,269	2,291
m/m change (thousands)				5.7	0.2	1.3	20.4	0.3	21.1
y/y % change	1.2	-1.6	0.4	-0.6	0.1	-0.2	-0.1	0.8	1.0
Unemployment Rate (%, SA)	6.0	8.1	8.2	8.5	8.8	8.3	8.4	7.9	7.8
Participation Rate (%, SA)	73.0	72.6	72.7	72.7	72.9	72.5	72.1	72.7	72.5
Average Weekly Earnings ($, SA)	1,146	1,119	1,113	1,135	1,111	1,109	1,116		
y/y % change	0.3	-2.4	-0.9	0.8	-0.7	-1.1	-0.8		
Household Sector									
Retail Sales ($ million, SA)	76,019	75,110	19,949	6,435	6,653	6,665	6,631		
y/y % change	4.0	-1.2	7.2	2.6	7.5	6.8	7.2		
NEW New Vehicle Sales (units, thousands)	242	224	78	16	15	17	29	24	
y/y % change	-12.7	-7.6	10.5	3.4	3.4	5.4	15.1	15.0	
Consumer Price Index (y/y % change)	1.1	1.1	1.9	1.9	2.5	2.2	1.9	1.7	
Excluding Food & Energy	2.3	1.7	1.5	1.4	1.9	1.4	1.3	1.0	
Housing Starts (SAAR, 000's)	37.3	24.5	28.9	26.6	18.0	26.3	36.2	31.5	32.7
y/y % change	-8.1	-34.2	21.4	4.5	-30.3	15.8	59.3	9.8	48.0
New Housing Price Index (y/y % change)	0.7	-0.5	0.0	-0.7	0.1	-0.4	-0.4	-0.5	
NEW Resale Home Sales	56,225	51,969	23,851	4,670	4,754	4,974	4,730	4,814	4,519
y/y % change	-21.3	-7.6	13.4	6.2	16.8	24.7	13.8	10.0	3.9
NEW Sales to New Listing Ratio	0.52	0.49	0.52	0.53	0.55	0.57	0.52	0.51	0.46
NEW MLS Average Resale Price ($ thousands)	394	395	398	401	394	390	401	401	403
y/y % change	1.9	0.4	7.5	1.4	2.7	1.0	4.0	3.6	2.7
Consumer Bankruptcies (level)	4,280	5,427	1,321	401	391	426	504		
y/y % change	10.9	26.8	-4.8	6.9	0.2	11.8	7.1		
Business Sector									
Goods Exports (customs basis $ million)	92,441	79,134	34,657	8,037	8,554	8,194	9,503	8,406	
y/y % change	-24.0	-14.4	43.8	10.3	19.6	40.2	66.0	55.6	
Energy Products ($ million)	62,500	51,780	24,656	5,649	6,213	6,043	6,617	5,757	
y/y % change	-31.5	-17.2	66.4	16.0	40.7	64.8	100.0	82.8	
Agricultural Products ($ million)	6,474	6,269	2,468	554	631	627	686	610	
y/y % change	0.2	-3.2	14.7	2.0	30.2	8.1	23.1	0.2	
Rigs (units)	120	79	136	151	104	188	148	85	61
y/y % change	-52.6	-34.0	105.2	57.3	85.7	67.0	207.6	193.9	145.7
NEW Manufacturing Shipments ($ million, SA)	68,483	62,560	23,192	5,569	6,641	5,721	5,832	8,025	
y/y % change	-13.9	-8.6	15.4	6.5	13.0	15.8	16.7	15.8	
Wholesale Trade ($ million, SA)	79,380	71,765	19,016	6,161	6,222	6,347	6,442		
y/y % change	-6.3	-9.6	4.3	-3.7	0.9	6.0	8.2		
Building Permits ($ million, SA)	16,753	14,390	4,442	834	1,271	1,117	1,112	902	
y/y % change	-5.2	-15.2	-8.3	-3.9	9.0	22.1	10.0	-27.4	
Residential Permits ($ million, SA)	9,876	7,930	2,631	461	825	860	996	649	
y/y % change	-9.8	-19.7	6.6	-35.2	1.6	1.7	38.7	-3.7	
Non-Residential Permits ($ million, SA)	6,877	6,270	1,811	373	596	456	417	343	
y/y % change	-7.4	-8.8	22.7	29.7	22.9	41.6	37.1	43.2	
Non-Res Building Construction Price Index* (y/y % change)	-0.7	-2.8	-0.3	-2.1			-0.9		

[1] Population data presented on a census year basis (July 1– June 30). The current census year 2017.

[2] Quarterly, average of Calgary and Edmonton

YTD YTD (year-to-date). "SA" denotes seasonally adjusted. "SAAR" denotes seasonally adjusted at annual rate.

Sources: All data is from Statistics Canada except the Alberta Activity Index (Alberta Treasury Board and Finance), Housing Starts (Canada Mortgage and Housing Corporation), MLS Average Resale Prices (Canadian Real Estate Association), Rigs Drilling (Canadian Association of Oilwell Drilling Contractors) and Bankruptcies (Office of the Superintendent of Bankruptcy Canada).All historical data are subject to revision